

**IN THE UNITED STATES BANKRUPTCY
COURT FOR THE SOUTHERN DISTRICT OF
TEXAS HOUSTON DIVISION**

	§	
In re:	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i>,	§	Case No. 22-90341 (DRJ)
	§	
Debtors¹	§	(Jointly Administered)
	§	

JOINDER OF MASSMUTUAL ASSET FINANCE LLC
(Related to Docket Nos. 38 & 291)

MassMutual Asset Finance LLC (“**MMAF**”), as prepetition secured lender under that certain *Master Lease Agreement*, dated as of December 3, 2021 (as amended, restated, supplemented, or otherwise modified from time to time, the “**Financing Agreement**”) and all collateral schedules thereto (each a “**Schedule**” and collectively, the “**Schedules**”) among MMAF and Core Scientific, Inc. (now known as Core Scientific Operating Company), by and through its undersigned counsel, hereby submits this *Joinder* to the *Reservation of Rights and Limited Objection of Barings BDC, Inc., Barings Capital Investment Corporation, and Barings Private Credit Corp.* [Dkt. No. 291] (the “**Limited Objection**”) to the *Emergency Motion of Debtors For Entry of Interim and Final Orders (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Providing Claims With Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Secured Parties, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing,*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (N/A); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisitions, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisition I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

and (G) *Granting Related Relief* [Dkt. No. 38] (the “**DIP Motion**”). In connection with this Joinder,² MMAF respectfully states as follows:

I. The MMAF Agreements

1. Through the December 3, 2021 Financing Agreement and Schedules 1-5 dated December 15, 2021 in connection therewith, MMAF extended financing to the Debtors secured by first priority, properly perfected security interests (the “**Secured Loans**”) in the Debtors’ equipment utilized to mine Bitcoin (collectively, the “**Equipment**”). Each Schedule governs the payment terms applicable to each transaction and the collateral securing each of the Secured Loans.

2. The obligations attendant to each of the Secured Loans are secured by security interests granted by Core Scientific, Inc. (now known as Core Scientific Operating Company) in the Equipment described in Exhibit A to each of the Schedules³ as well as the following assets related to that Equipment (collectively, the “**Initial Collateral**”):

- (i) all parts, attachments, accessories and accessions to, substitutions and replacements for, each item of Equipment;
- (ii) all accounts, chattel paper, and general intangibles arising from or related to any sale, lease, rental or other disposition of any Equipment to third parties, or otherwise resulting from the possession, use or operation of any Equipment by third parties, including instruments, investment property, deposit accounts, letter of credit rights, and supporting obligations arising thereunder or in connection therewith (including in respect of all Sublease Agreements);
- (iii) all insurance, warranty and other claims against third parties with respect to any Equipment;

² MMAF is one of the “Equipment Lenders” referred to in the Limited Objection.

³ The *Declaration of Michael Bros In Support of the Debtors’ Chapter 11 Petitions and First Day Relief* [Dkt. No. 5] describes MMAF’s collateral for the Secured Loans as first lien security interests in approximately 17% of the total collateral pledged under the largest outstanding secured mining equipment financing and equipment lease arrangements, being 15,894 ASIC Miners.

(iv) all software and other intellectual property rights used in connection therewith;

(v) proceeds of all of the foregoing, including insurance proceeds and any proceeds in the form of goods, accounts, chattel paper, documents, instruments, general intangibles, investment property, deposit accounts, letter of credit rights and supporting obligations; and

(vi) all books and records regarding the foregoing, in each case, now existing or hereafter arising.

Master Lease Agreement, ¶15.

3. On August 12, 2022, MMAF and Core Scientific Operating Company amended the Financing Agreement and each of the Schedules thereto (each an “**Amendment**” and collectively, the “**Amendments**”), to among other things, (i) provide the Debtors with 6 (six) months of “interest” only payments followed by adjusted amortizing monthly payments, and (ii) increase the effective interest rate on the Secured Loans. To further secure the Debtors’ payment and performance, the Debtors granted to MMAF additional collateral in the form of the 2,458 additional Antminers described on **Exhibit B** to the Amendments (the “**Additional Collateral**” and together with the Initial Collateral, the “**Collateral**”). The Additional Collateral consists of the identified Bitcoin computing equipment and “all proceeds thereof.” *See Amendments, ¶ 4.* Finally, the Debtors also issued to MMAF shares of the Debtors’ common stock as an amendment fee.⁴

⁴ This summary of the agreements between MMAF and Core Scientific Inc. (now known as Core Scientific Operating Company) is qualified in all respects by the terms and conditions of the agreements as set forth therein.

II. Joinder

4. The Limited Objection undertakes a thorough analysis why the adequate protection currently proposed by the DIP is not sufficient and the potential impact of the DIP and the Budget on the course of the Debtors' cases. While MMAF does not join in every statement made in the Limited Objection, for the reasons outlined in the Limited Objection, MMAF likewise requests that the Court grant the relief requested in the DIP Motion in a form and manner which addresses the concerns identified in the Limited Objection and this Joinder.

III. Reservation of Rights

5. This Joinder is submitted without prejudice to, and with full reservation of, MMAF's rights, claims, defenses, and remedies, including the right to supplement the Limited Objection or modify, amend, or withdraw this Joinder, to seek discovery, to raise additional objections and to introduce evidence at any hearing related to the DIP Motion, and without in any way limiting any other rights of MMAF to object to the DIP Motion, on any grounds, as may be appropriate. MMAF further reserves the right to seek entry of an order granting to MMAF further or additional adequate protection pursuant to §§ 361 and 363(e) of the Bankruptcy Code and other related relief.

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Dated: January 17, 2023
Boston, Massachusetts

Respectfully submitted,

VERRILL DANA LLP

By: /s/Thomas O. Bean

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Certificate of Service

I, Nathaniel R. Hull of Verrill Dana, LLP certify that I am over the age of eighteen and, on January 17, 2023, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas in the above-captioned case.

/s/ Nathaniel R. Hull
Nathaniel R. Hull (admitted *pro hac vice*)